



CALIFORNIA STATE PUBLIC WORKS BOARD

GRAY DAVIS, GOVERNOR

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STATE PUBLIC WORKS BOARD

May 6, 2003

MINUTES

PRESENT:

Mr. Robert Miyashiro, Deputy Director, Department of Finance

Mr. Cy Rickards, Deputy Director, Legal Affairs, Department of General Services

Ms. Cindy Aronberg, Deputy Controller, State Controller's Office

Mr. Francisco Lujano, Director, Securities Management Division, State Treasurer's Office

ADVISORY MEMBER:

Director, Employment Development Department

LEGISLATIVE ADVISORS:

Assembly Member Darrell Steinberg

Assembly Member Wilma Chan

Assembly Member Fabian Nunez

Senator Betty Karnette

Senator Wesley Chesbro

Senator Gilbert Cedillo

STAFF PRESENT:

James Tilton, Administrative Secretary, State Public Works Board

Kathryn Amann, Assistant Administrative Secretary, State Public Works Board

Jim Lombard, Assistant Administrative Secretary, State Public Works Board

Tamara Moss, Secretary, State Public Works Board

Brian Dewey, Budget Analyst, Department of Finance

Jim Martone, Budget Analyst, Department of Finance

Nathan Brady, Budget Analyst, Department of Finance

OTHERS PRESENT:

Diane Elliott, Department of General Services

Dale Clevenger, CA Community Colleges

Rick Stoltz, Department of Parks and Recreation

Warren Westrup, Department of Parks and Recreation

Cindy Spita, Department of Parks and Recreation

CALL TO ORDER AND ROLL CALL:

Mr. Miyashiro, Chairperson, Deputy Director, Department of Finance at 2:10 pm called the meeting to order. Mr. Tilton, Administrative Secretary for the State Public Works Board called the roll. A quorum was established.

BOND ISSUES:

Mr. Tilton reported that there were six bond items. We are pulling Item #1, Department of General Services, Capitol Area West End Complex, Sacramento, Office Buildings and Parking Garage at the request of the State Treasurer's Office. We are also pulling Item #6, California Community Colleges, Rancho Santiago Community College District, Santiago Canyon, Learning Resource Center to provide more time for due diligence.

Item #2, Department of Health Services, Richmond Laboratory Campus: Phase III Office Building. This item will authorize the use interim financing and the sale of lease revenue bonds.

A motion was made by Ms. Aronberg, and Seconded by Mr. Rickards to adopt Bond Item #2.

Bond Item #2 was adopted by a 4-0 vote.

Item #3, Department of Corrections, California Medical Facility, Vacaville, Ambulatory Care Clinic. This item will authorize the use interim financing and the sale of lease revenue bonds.

A motion was made by Mr. Rickards, and Seconded by Ms. Aronberg to adopt Bond Item #3.

Bond Item #3 was adopted by a 4-0 vote.

Item #4, University of California, Riverside Campus, Heckmann International Center for Management. This item will authorize the use of interim financing and the sale of lease revenue bonds.

A motion was made by Mr. Rickards, and Seconded by Ms. Aronberg to adopt Bond Item #4.

Bond Item #4 was adopted by a 4-0 vote.

Item #5, California Community Colleges, Palomar College, High Tech Laboratory-Classroom Building. This item will authorize the use of interim financing and the sale of lease revenue bonds.

A motion was made by Mr. Rickards and Seconded by Mr. Lujano to adopt Bond Item #5.

Bond Item #5 was adopted by a 4-0 vote.

CONSENT CALENDAR:

Mr. Tilton noted that the Consent Calendar covered Items #7 through #24.

In summary, the consent calendar proposes: twelve requests to approve preliminary plans, two requests to authorize site selection, one request to authorize acquisition, one request to approve augmentation, one request to approve reversion, and one request to recognize a scope change.

There is one 20-day letter in your package. Item #22, California Community Colleges, Rancho Santiago Community College District, Santa Ana College, Physical Education Seismic Replacement/Expansion Project, establish scope and cost. A 20-day letter was sent to the Legislature on April 14, 2003, without comment.

Staff recommends approval of the consent calendar Items #7 through #24.

A motion was made by Mr. Rickards, and Seconded by Mr. Miyashiro to adopt the Consent Calendar and to approve Items #7 through #24.

The consent calendar was adopted by a 2-0 vote.

ACTION ITEMS:

Mr. Tilton stated that there were two Action Items. We are pulling Item #25, Department of Parks and Recreation, Jedediah Smith Redwood State Park and Item #26, Department of Parks and Recreation, Humboldt Redwoods State Park at the request of the department.

OTHER BUSINESS:

Mr. Tilton noted that there was one item of other business. Staff would like to make the Board aware that the Department of Treasury, Internal Revenue Service (IRS) has selected the State Public Works Board of California, Lease Revenue Bonds, 1997 Series A, California Science Center Project for examination. Staff will be working with the Treasurers Office and the IRS to make sure that they receive all information needed to complete the audit. This is to validate the Federal Tax compliance issues for lease revenue bonds. We do not anticipate any issues with fulfilling this request.

Mr. Miyashiro asked how often the Public Works Board is audited by the IRS?

Mr. Tilton stated that this is the first time, within the five years he's been with the Public Works Board, that we have been audited. Mr. Tilton stated that we were chosen in a random audit and the IRS will be working with us to verify compliance. Staff is confident that our use of funds is consistent with the tax codes. We will be working with our bond counselor and Treasurers Office to make sure that we are in compliance.

Mr. Miyashiro asked if we knew the duration of the audit?

Mr. Tilton stated that we do not know the duration of the audit at this time.

REPORTABLES:

Mr. Tilton indicated there were twelve reportable items that Finance staff had approved under the authority delegated by the Board.

NEXT MEETING:

Mr. Tilton noted that the next PWB meeting is scheduled for Friday, June 13, 2003, at 10:00 am, in Room 112.

Having no further business, the meeting was adjourned at 2:15 pm.

BOND ITEM

BOND ITEM – 1

DEPARTMENT OF GENERAL SERVICES (1760)
CAPITOL AREA WEST END COMPLEX,
SACRAMENTO, SACRAMENTO COUNTY
Office Buildings and Parking Garage

Authority: Chapter 672/01

Adopt a resolution to:

1. Authorize the use of interim financing to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.
2. Authorize the execution of the Construction Agreement between the Department of General Services and the State Public Works Board.
3. Approve the form of and authorize the execution of the Site Lease between the Department of General Services and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Department of General Services and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$391,000,000

PULLED.

BOND ITEM

STAFF ANALYSIS – 1

Department of General Services
Capitol Area West End Complex, Blocks 203, 204, & 266, Sacramento

Action Requested

The requested action will adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds.

Scope Description

This project is within scope. This project will construct a new State Office Complex and associated parking on Blocks 203 and 204 (bounded by 7th/8th – N/O streets) and a stand-alone parking facility on half of Block 266 (bounded by 8th/9th – Q/R streets). The two buildings will total 1.4 million gross square feet of office space and parking. Renovation/mitigation of the historic Heilbron Mansion currently on the northwest corner of Block 204 is included.

Funding and Cost Verification

This project is within cost.

\$391,000,000 total estimated project costs

\$0 project costs previously allocated

\$391,000,000 project costs to be allocated: site acquisition \$9,240,000; design/bid for \$14,132,000; construction \$367,628,000 (\$312,771,000 contract, \$11,797,000 contingency, \$20,950,000 A&E, and \$22,110,000 agency retained)

CEQA

The CEQA documentation will be filed during the preliminary plan phase.

Project Schedule

The project schedule is as follows:

Complete construction: August 2008

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 2

**DEPARTMENT OF HEALTH SERVICES (4260)
RICHMOND LABORATORY CAMPUS: PHASE III OFFICE BUILDING, RICHMOND,
CONTRA COSTA COUNTY**

*Authority: Chapter 106/01, Item 4260-301-0660 (1) W/D
Chapter 379/02, Item 4260-301-0660 (1) C*

Adopt resolution to:

1. Authorize the use of interim financing, to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.
2. Authorize the execution of the Construction Agreement between the Department of General Services, on behalf of Department of Health Services, and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the Department of Health Services and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Department of Health Services and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$49,793,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 2

Department of Health Services,
Richmond Laboratory Campus: Phase III Office Building

Action Requested

The requested item will adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds.

Scope Description

This project is within scope. This project will construct a 200,000 gsf (3-story) office building at the DHS Richmond Laboratory Campus. The building will be similar in architectural style to the buildings in Phases I/II, with a reinforced concrete frame and pre-cast concrete/window wall building skin. Site work includes utilities and parking for approximately 600 vehicles.

Funding and Project Cost Verification

This project is within cost. The project costs are within the budget estimate.

\$51,638,000 total estimated project costs

\$4,111,000 project costs previously allocated: preliminary plans and working drawings

\$47,527,000 project costs to be allocated for construction: \$35,880,000 contract; \$1,794,000 contingency; \$4,778,000 A&E; \$5,075,000 agency retained.

CEQA

A Notice of Determination was filed with the State Clearinghouse on September 27, 2001, and the 30-day waiting period expired October 29, 2001.

Project Schedule

The project schedule is as follows:

Complete construction: October 2004

Other

Funding for the preparation of working drawings (\$2,266,000) was provided through an Architecture Revolving Fund loan. Therefore, the interim financing from the Pooled Money Investment Account includes a like amount of funds to reimburse the Architecture Revolving Fund.

Staff Recommendation: Approve resolution.

BOND ITEM

BOND ITEM – 3

DEPARTMENT OF CORRECTIONS (5240)
CALIFORNIA MEDICAL FACILITY, VACAVILLE, SOLANO COUNTY
Ambulatory Care Clinic

Authority: Chapter 106/01, Item 5240-301-0001(12.5)
Chapter 379/02, Item 5240-301-0660(3)

Adopt a resolution to:

1. Authorize the use of interim financing, to be re-paid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.
2. Approve the form of and authorize the execution of the Construction Agreement between the Department of Corrections and the State Public Works Board.
3. Approve the form of and authorize the execution of new and/or amended Site Leases between the Department of Corrections and the State Public Works Board.
4. Approve the form of and authorize the execution of new and/or amended Facility Leases between the Department of Corrections and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$2,298,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 3

Department of Corrections
California Medical Facility, Vacaville, Solano County
Ambulatory Care Clinic

Action Requested

The requested item will adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds.

Scope Description

The project is within scope. The project consists of constructing a new single story Ambulatory Care Clinic. The Ambulatory Care Clinic will provide approximately 4,500 square feet of clinic space that includes inmate waiting area, examination rooms, treatment rooms, staff offices, restrooms, work space and storage areas. Site improvements will include building pad, utility connections, paving, landing ramp, and stairs at the east end of the building.

Funding and Project Cost Verification

This project is within cost.

\$2,580,000 total estimated project cost

\$2,580,000 project costs previously allocated: preliminary plans \$125,000; working drawings \$157,000; construction \$2,298,000 (\$1,557,000 contract, \$78,000 contingency, \$269,000 project administration, \$281,000 agency retained, and \$113,000 unallocated)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on January 7, 2002, and the waiting period expired on February 11, 2002, with no public comment.

Project Schedule:

The project schedule is as follows:

Approve working drawings:	April 2003
Complete construction:	July 2004

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 4

UNIVERSITY OF CALIFORNIA (6440)
RIVERSIDE CAMPUS, RIVERSIDE COUNTY
Heckmann International Center for Management

*Authority: Chapter 106/01, Item 6440-301-0660(5), as reappropriated by
Chapter 379/02, Item 6440-491(4)*

Adopt a resolution to:

1. Authorize the use of interim financing, to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.
2. Authorize the execution of the Construction Agreement between the University of California and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the University of California and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the University of California and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$10,000,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 4

University of California, Riverside
Heckmann International Center for Management

Action Requested

The requested action will adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds.

Scope Description

This project is within scope. The Heckmann International Center for Management project will construct a 17,660 assignable square foot, multi-disciplinary, multi-function instruction, research and distance learning facility in the field of entrepreneurial management and related curricula. The facility will include a 299 seat instructional space and associated smaller rooms, class labs, conference rooms, offices and other associated support space.

Funding and Project Cost Verification

This project is within cost.

\$10,000,000	total estimated project cost.
\$369,000	project costs previously allocated: preliminary plans -- (State funds: lease revenue bonds)
\$9,631,000	project costs to be allocated: working drawings -- \$439,000 (State funds: lease revenue bonds); construction -- \$8,648,000 (State funds: lease revenue bonds); equipment -- \$544,000 (State funds: lease revenue bonds).

CEQA

The University certifies that the project is in compliance with CEQA.

Project Schedule

The project schedule is as follows:

Approve working drawings: June 2003
Complete construction: August 2004

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 5

CALIFORNIA COMMUNITY COLLEGES (6870)
PALOMAR COMMUNITY COLLEGE DISTRICT,
PALOMAR COLLEGE, SAN DIEGO COUNTY
High Tech Laboratory-Classroom Building

Authority: Chapter 50/99, Item 6870-301-0574 (54.1)
Chapter 106/01, Item 6870-301-0574 (42)
Chapter 33/02, Section 34 (a) (4) (I)

Adopt a resolution to:

1. Authorize the use of interim financing to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.
2. Authorize the execution of the Construction Agreement between the Palomar Community College District and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the Palomar Community College District and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Palomar Community College District and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$29,358,000

APPROVED.

BOND ITEM

STAFF ANALYSIS – 5

California Community Colleges
Palomar Community College District, Palomar College, San Diego County
High Tech Laboratory-Classroom Building

Action Requested

The requested action will adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds.

Scope Description

The project is within scope. The project constructs a 67,313 asf laboratory/classroom building, including 37,025 asf laboratory and service, 8,314 asf classroom, 16,052 asf office and service, and 5,922 asf conference and other space. Minor refinements in design have resulted in a slight shifting of spaces but still yield the same asf.

Funding and Project Cost Verification

This project is within cost.

\$31,363,000 total estimated project costs

\$ 2,005,000 project costs previously allocated: preliminary plans \$942,000 and working drawings \$1,063,000

\$29,358,000 project costs to be allocated: construction \$27,952,000 (\$25,360,000 contracts, \$1,264,000 contingency, \$1,328,000 administration, testing, inspection, and construction management) at CCCI 4019, and equipment \$1,406,000 at EI 2564

CEQA

A Notice of Determination was filed with the State Clearinghouse on April 14, 2000, and the waiting period expired May 14, 2000.

Project Schedule

The project schedule is as follows:

Complete construction: March 2005

Staff Recommendation: Adopt resolution.

BOND ITEM

BOND ITEM – 6

CALIFORNIA COMMUNITY COLLEGES (6870)
RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT,
SANTIAGO CANYON COLLEGE, ORANGE COUNTY
Learning Resource Center

Authority: Chapter 50/99, Item 6870-301-0574 (55.1)
Chapter 106/01, Item 6870-301-0574 (43)
Chapter 33/02, Section 34 (a) (4) (A)

Adopt a resolution to:

1. Authorize the use of interim financing to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds.
2. Authorize the execution of the Construction Agreement between the Rancho Santiago Community College District and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the Rancho Santiago Community College District and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Rancho Santiago Community College District and the State Public Works Board.
5. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$8,975,000

PULLED.

BOND ITEM

STAFF ANALYSIS – 6

California Community Colleges
Rancho Santiago Community College District, Santiago Canyon College, Orange County
Learning Resource Center

Action Requested

The requested action will adopt a resolution authorizing the use of interim financing and the sale of lease revenue bonds.

Scope Description

The project is within scope. The project constructs a 29,329 asf learning resource center consisting of 20,203 asf for library, 4,928 asf for AVTV, 2,913 asf for offices, 794 asf for laboratory, and 491 asf other spaces. Minor refinements in design have resulted in a slight shifting of spaces but still yield the same asf.

Funding and Project Cost Verification

This project is within cost.

\$9,565,000 total estimated project costs

\$ 590,000 project costs previously allocated: preliminary plans \$278,000 and working drawings \$312,000

\$8,975,000 project costs to be allocated: construction \$8,099,000 (\$7,300,000 contracts, \$365,000 contingency, \$434,000 administration, testing, inspection, and construction management) at CCCI 4019, and equipment \$876,000 at EI 2564.

CEQA

A Notice of Determination was filed with the State Clearinghouse on April 14, 2000, and the waiting period expired May 14, 2000.

Project Schedule

The project schedule is as follows:

Complete construction: March 2005

Staff Recommendation: Adopt resolution.

CONSENT ITEM

CONSENT ITEM – 7

DEPARTMENT OF GENERAL SERVICES (1760)
CALIFORNIA HIGHWAY PATROL (2720)
NEW AREA OFFICE, WILLIAMS, COLUSA COUNTY

Authority: Chapter 052/00, Item 2720-301-0001 (2)
Chapter 106/01, Item 2720-310-0044 (1)

a. Approve Preliminary Plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 7

California Highway Patrol
New Area Office, Williams

Action Requested

The requested action will approve Preliminary Plans for this project.

Scope Description

This project is within scope. This project includes a new office of approximately 9,470 square feet of office space and auto shop, a generator building, and related site work on a 4-acre parcel within the city of Williams. The project includes 45 parking spaces, 2 handicap spaces, motorcycle parking, fencing, flagpole, fuel island with 12,000 gallon underground fuel storage tank and canopy, landscaping, utilities, and a communications tower.

Funding and Cost Verification

This project is within cost. Chapter 106, Budget Act of 2001, Item 2720-301-0044(1)

\$3,992,000 total estimated project costs

\$818,000 project costs previously allocated: acquisition \$657,000,
preliminary plans \$161,000

\$3,174,000 Project costs to be allocated: Working drawings \$205,000, and construction
\$2,969,000 (\$2,530,000 contract, \$127,000 contingency, \$196,000 A & E
services, and \$116,000 other costs).

Site Acquisition

Site Acquisition was completed in May 2003.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on May 17, 2002, and the waiting period expired June 17, 2002.

Project Schedule

The project schedule is as follows:

Complete Working Drawings:	October 2003
Complete Construction:	April 2005

Staff Recommendation: Approve Preliminary Plans and the release of working drawing funds

CONSENT ITEM

CONSENT ITEM – 8

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF MOTOR VEHICLES (2740)
SOUTH SACRAMENTO FIELD OFFICE REPLACEMENT, SACRAMENTO COUNTY
DMV Project Number 111696, DGS Parcel Number 10049

Authority: Chapter 379/02, Item 2740-301-0044(4)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 8

Department of General Services
Department of Motor Vehicles
South Sacramento Field Office Replacement

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The project provides for acquisition of land and the construction of a replacement facility in the City of Sacramento. The acquisition phase of the project includes acquiring fee simple interest in an unimproved parcel of approximately 3.5 acres within the existing DMV service area.

Funding and Cost Verification

This project is within cost. Chapter 106, Budget Act of 2001, Item 2740-301-0044 (4.5) provided \$942,000 for acquisition, and Chapter 379, Budget Act of 2002, Item 2740-301-0044 (4) provides \$760,000 for preliminary plans and working drawings. The property can be acquired with the funds available and in accordance with Legislative intent.

\$7,556,000 Total estimated project costs: acquisition \$942,000, preliminary plans \$360,000, working drawings \$400,000, and construction \$5,854,000 (\$4,823,000 contract, \$240,000 contingency, \$605,000 project administration, and agency retained items \$186,000).

\$1,302,000 Project costs previously allocated: acquisition \$942,000, preliminary plans \$360,000.

\$6,254,000 Project costs to be allocated: working drawings \$400,000, construction \$5,854,000 (\$4,823,000 contract, \$240,000 contingency, \$605,000 architectural and engineering services and other project costs, and agency retained items \$186,000) at CCCI 4019.

CEQA

Final Notice of Determination, and Negative Declaration were filed with the State Clearinghouse on November 25, 2002. The waiting period was completed on December 24, 2002.

Project Schedule

The project schedule is as follows:

Approve preliminary plans: April 12, 2003.
Approve working drawings: January 26, 2004.
Complete construction: November 2005

Other:

- The State Public Works Board approved this project for site selection on February 8, 2002.
- The proposed site meets the location requirements of DMV.
- There is no relocation assistance involved with this project.
- The purchase price did not exceed estimated fair market value as determined by a Department of General Services (DGS) approved appraisal.
- There is no implied dedication involved with this project.
- DGS and DMV have inspected the property and found no evidence of contamination from hazardous materials.

Staff Recommendation: Approve preliminary plans and the release of working drawing funds.

CONSENT ITEM

CONSENT ITEM – 9

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
Anza-Borrego State Park, Cuyamaca (Tulloch Ranch)
DPR Parcel Number A41701, DGS Parcel Number 10169

*Authority: Chapter 106/01, Item 3790-301-0005(29)
Chapter 106/01, Item 3790-301-0262(1)
Chapter 379/02, Item 2660-101-0183
Chapter 106/01, Item 2660-101-0890*

a. Consider authorizing site selection

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 9

Department of General Services
Department of Parks and Recreation
Anza-Borrego State Park, Cuyamaca (Tulloch Ranch)

Action Requested

The requested action will authorize site selection.

Scope Description

This project is within scope. The Legislature has approved funding from the California Wildlife Protection Act for the purchase of habitat lands located in, and adjacent to, units of the State Park System. The Legislature has also approved funding from Proposition 12 to acquire unspecified properties and parcels that are a high priority for both the State Park System and for habitat purposes. Anza-Borrego Desert SP was specifically called out as a potential site for use of the Proposition 12 funds. This request will authorize site selection for the purchase of approximately 2,080 acres adjacent to the Anza-Borrego State Park in San Diego County.

Funding and Cost Verification

This project is within cost. Funding for this acquisition is provided by Chapter 106/01 of the 2000 Bond Act, Item 3790-301-0005(29) which provides \$35,000,000 for these acquisition programs; the 2001/02 Habitat Conservation Fund, Chapter 106/01, Item 3790-301-0262(1) which provides \$1,000,000; Chapter 379/02, Item 2660-101-0183 which provided an EEMP Grant of \$250,000; and Chapter 106/01, Item 2660-101-0890 which provided a TEA Grant of \$1,000,000. The property can be acquired within the funds available and in accordance with Legislative intent in conjunction a private donation from Resource Land Group of \$250,000.

\$5,019,500	total estimated project costs
\$1,500	project costs previously allocated: Department of General Services appraisal review and environmental Phase I review
\$5,018,000	project costs to be allocated: \$5,000,000 acquisition, and approximately \$18,000 in overhead costs (title and escrow fees)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on November 2, 2001, and the waiting period expired on December 8, 2001.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is May 2003 .

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff, conducted a site visit on March 19, 2003, of the Cuyamaca/Tulloch Ranch. The property consists of approximately 2,100 acres included within the Williamson Act, a tax agreement between the Tulloch family and the County of San Diego to use the land only for agricultural purposes. A Phase I Environmental Site Assessment report prepared by URS on October 4, 2001, was reviewed by ESS and found to be in accordance with American Society for Testing and Materials (ASTM) standards. The following recommendations were outlined by URS in their Phase I ESA report:

- removal and proper disposal of the abandoned car and truck, automobile body parts and battery, piping valve with section composite pipe observed in various locations onsite;
- proper abandonment of the unused well #3 and open boring adjacent to well #1;
- proper abandonment of onsite wells #1 and #2 if they are no longer being used to avoid potential impacts to groundwater from surface sources.

In addition to the above recommendations, ESS suggests the two deep mine shafts located in the northeast section of the property be filled in to remove a potential safety hazard, e.g., to prevent humans and other animals from falling in the holes. The mine shafts should be recorded and evaluated for historical significance (if necessary) prior to closure.

A spray effluent field of approximately 5 acres is located in the northeastern section of the property. A use agreement for the effluent disposal site currently exists between the Lake Cuyamaca Recreation and Park District (LCRPD) and the Tulloch family. Order No. 92-028 outlines the waste discharge requirements for the LCRPD. Order 92-028 indicates the following:

- "Septic tank effluent from holding tanks at both locations is regularly pumped into a tanker truck and hauled approximately 6 miles to a land disposal site, where it is uniformly spread over a remote and relatively flat grass-covered area. This area is fenced to prevent grazing by horses and beef cattle..."
- Discharge Specification #5: "Adequate measures shall be taken to assure that unauthorized persons are effectively excluded from contact with the wastewater."

At the time of the site visit, the effluent spray field was not fenced off, but easily accessible from the dirt road which runs parallel. ESS recommends fencing or some other means of restricting access be applied to the effluent spray field for compliance with California Regional Water Quality Control Board (Colorado River Basin Region) Order No. 92-028 unless the new waste discharge agreement executed between the CRWQCB and LCRPD, The Nature Conservancy and Anza Borrego State Park Colorado District indicates otherwise.

Other:

- The purchase price shall not exceed estimated fair market value as approved by a Department of General Services (DGS) approved appraisal.
- The Department of Parks and Recreation (DPR) is not aware of any lawsuits pending concerning the property.
- Fee simple interest in the property will be acquired.
- The property is subject to the Williamson Act because the current owner received a tax benefit by agreeing to preserve his property for agricultural purposes. The contract is for a 10-year period and has an automatic renewal. Acquisition of properties subject to the Williamson Act require notification to the Director of Conservation. On April 2, 2003, DPR delivered notification to the Director of Conservation of its intent to purchase the property and that the property will no longer be subject to the Williamson Act.
- The property is fenced and has a small storage cabin which is unoccupied. There will be no relocation assistance involved with this project. The building appears to be in good condition and, if the General Plan supports this use, the building will most likely be used as an onsite office.
- Currently, the property is improved with a California Riding and Hiking trail that goes through the property. Riders and hikers will be allowed to continue to use this trail, although no vehicle access will be provided. If necessary, The Department would be able to respond for rescues from Cuyamaca Rancho State Park and Anza-Borrego Desert State Park.
- To offer an initial limited level of public access to areas of the property beyond what is currently allowed through the Riding and Hiking Trail, and to provide routine patrols or maintenance, including a minimum level of resource protection, the Department estimates the need for 6 PYs and \$635,000. An additional \$596,000 in one-time costs will also be needed for road grading, parking, fencing, and baseline resource studies. DPR has provided this information as its best estimate of initial support needs. The Department of Finance provides no endorsement of these support estimates, but will evaluate DPR workload and staffing requirements through the normal budget process if an augmentation request is submitted, and within the context of the Administration's overall budget priorities. Nevertheless, Finance would not recommend additional support expenditures if continued revenue forecasts fail to project short-term growth and additional program reductions become necessary. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available.
- A third party has reserved minerals rights with surface entry rights. DPR has been unable to respond to PWB staff's questions regarding the amount of acres that these mineral rights affect. Also, two patents from the early 1900s, recite that the grant is subject to mining claims and associated water rights. Several historical deep mine shafts are located on the property. However, the appraisal concluded third party mineral interests would not affect the property's value as mineral production is not typical in the subject area and considered highly speculative.

Staff Recommendation: Authorize site selection contingent on DPR complying with the recommendations made by the ESS staff and the recommendations outlined in the Phase I ESA report, prior to asking the Board to authorize acquisition.

CONSENT ITEM

CONSENT ITEM – 10

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
JOHN B. DEWITT STATE RESERVE, LOWER REDWAY
HUMBOLDT COUNTY
DPR Parcel Number A42901, DGS Parcel Number 10156

Authority: Chapter 379/02, Item 3790-301-6029(6)

a. Authorize acquisition consistent with staff analysis

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 10

Department of General Services
Department of Parks and Recreation
John B. Dewitt State Reserve, Lower Redway

Action Requested

The requested action will authorize acquisition consistent with the staff analysis.

Scope Description

This project is within scope. The Legislature has approved funding from Proposition 40 to acquire desirable parcels that fit within the acquisition guidelines established by the Department of Parks and Recreation (DPR). This request will authorize the acquisition of approximately 581 acres that meet some of the criteria in the acquisition guidelines. Specifically, the acquisition meets the guidelines because it is contiguous to an existing State Park (John B. Dewitt State Reserve), and can be developed to increase the number and variety of outdoor recreational opportunities. In addition, the acquisition will provide new natural resources to the existing state reserve as well as protecting it from erosion from timber harvesting.

Funding and Cost Verification

This project is within cost. Chapter 379/02, Item 3790-301-6029(6) provides funding for this acquisition in fee simple interest and associated overhead for the real property. The property can be acquired with the remaining funds and in accordance with Legislative intent.

\$2,566,000 total project costs

\$3,000 project costs previously allocated (DGS staff costs)

\$2,563,000 project costs to be allocated: \$2,554,000 acquisition and approximately \$9,000 in overhead costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on January 10, 2003, and the waiting period expired on February 14, 2003.

Project Schedule

The project schedule is as follows:

Anticipated close of escrow April 2003.

Condition of Property

Department of General Services, Environmental Services Section (ESS) staff conducted a site visit to the Lower Redway parcel on January 31, 2003. The site visit focused on an area of the property containing "improvements" consisting of a house, chicken coop, drying shed (for *Cannabis sativa*), privy, trailer, abandoned vehicles (truck and VW bug), and another shed which may have been used for planting preparations (as evidenced by the remains of potting soil, vermiculite, plastic seedling containers, PVC pipe, black pipe, containers of unknown liquids, etc.). There is a "murky" pond near the buildings. At least one of the drainages from the pond contained pooled areas of "sudsy" water. It is unknown whether the "suds" are caused by a natural soil element or of an introduced "chemical" element. SHN clarified the presence of the "sudsy" water as "most likely related to off-gassing produced by bacteria in connection with the decomposition of organic material. This is supported by the fact that the 'sudsy' water was only observed at locations where the water was not moving or turning over, and as such, could not produce adequate oxygen or otherwise affect the 'sudsy' decomposition process. SHN concluded that sampling and testing water in the existing pond was not necessary or warranted because no obvious evidence of impacts (i.e., noxious odors, oily sheen, large amounts of debris located adjacent to the pond) was observed during the recent site visit. If obvious indicators of impact to the pond water were present, then water sampling and testing would be warranted." Based upon the knowledge and local experience of SHN's Registered Environmental Assessor (REA) and observations made by the REA and ESS staff, there is little concern for the presence of hazardous materials or the migration of hazardous materials (e.g., "sudsy" water) on the property. ESS staff noted no due diligence issues that would prevent the site acquisition."

A Phase 1 Environmental Site Assessment report (February 2003), prepared by SHN Consulting Engineers and Geologists, Inc. has been reviewed by ESS staff. An addendum (March 26, 2003) was also prepared by SHN to address questions and concerns raised by ESS staff during the site visit and review of the Phase I report. The concerns raised by ESS staff have been satisfactorily addressed or clarified in the addendum. SHN recommends the removal of and proper disposal of several vehicle batteries, three 5-gallon gasoline cans, and a number of 5-gallon containers of oily liquids on the property. Additionally, if safe access can be provided, SHN suggests the removal and proper disposal of the existing 55-gallon drums observed on the property. The household trash and debris observed in a few areas of the subject property (e.g., along and off the road leading to the area containing improvements) should be removed. ESS staff concurs with the recommendations made by SHN regarding the removal and proper disposal of the trash and debris identified in their Phase 1 report. ESS staff noted no due diligence issues that would prevent the site acquisition.

Other:

- Site selection for this project was delegated at the February 26 screening meeting.
- A local non-profit organization has committed to be responsible for site clean-up of non-hazardous materials after the property transfers to State Parks. This arrangement will address recommendations made by ESS staff.
- The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.

- DPR is not aware of any lawsuits pending concerning the property. The acquisition of the property will quiet any claims from the seller that they have logging hauling rights through adjacent State Park property. The property acquisition agreement will require delivery of clear title to the State.
- The property is vacant and only improved with an unoccupied modular cabin and one storage building that will be demolished.
- Third parties have reserved mineral rights on a portion of the proposed acquisition. This is not an active area for mineral extraction.
- Save-The-Redwoods League (SRL) held a 90-day option to purchase the property, which was extended until May 30, 2003. The option can be transferred or assigned to an agency or department of the State of California at its sole discretion upon a duly written notice to the property owner.
- To offer an initial level of public access and provide for a minimum level of resource protection, DPR estimates the need for 4 PYs and \$624,000 for personal services and operating expenses, which includes one time costs of \$146,000 for equipment, signage, boundary surveys and baseline studies. DPR estimates the need for an additional \$300,000 in one-time-costs for decommissioning of eroding roads. DPR has provided this information as its best estimate of initial support needs. The Department of Finance provides no endorsement of these support estimates, but will evaluate DPR workload and staffing requirements through the normal budget process if an augmentation request is submitted, and within the context of the Administration's overall budget priorities. Nevertheless, Finance would not recommend additional support expenditures if continued revenue forecasts fail to project short-term growth and additional program reductions become necessary. Until additional funding is approved, DPR will provide limited authorized access and resource protection. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available.

Staff Recommendation: Authorize acquisition consistent with the staff analysis and with the understanding that all outstanding environmental issues will be addressed prior to close of escrow.

CONSENT ITEM

CONSENT ITEM – 11

DEPARTMENT OF PARKS AND RECREATION (3790)
HOLLISTER HILLS STATE VEHICULAR RECREATION AREA SAN BENITO COUNTY
Hudner/Renz Public Use Facility

Authority: Chapter 379/02, Item 3790-301-0263 (1)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 11

Department of Parks and Recreation
Hollister Hills State Vehicular Recreation Area, San Benito County
Hudner/Renz Public Use Facility

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. Although the back up materials for the Governor's Budget included some minor revisions on scope specifics, which are currently under review by the Legislature, the project remains largely unchanged. The project will provide public use facilities necessary for the opening of the Hudner/Renz properties at Hollister Hills SVRA. The project includes entrance development at the New Cienega Road/ Bird Creek access point; vehicle staging and 40-car graveled parking area with shade ramada, table and toilet; four picnic sites with tables, gravel areas and ramadas; development of off-highway vehicle (OHV) recreation trails; four camp facilities that include tables, fire rings, toilets, a gravel area and ramadas; four-wheel drive obstacle course facilities; sediment basins; perimeter and interior fencing; and tree planting to reduce visual impacts of new facilities.

Funding and Cost Verification

This project is within cost.

\$1,450,000 total estimated project costs

\$50,000 project costs previously allocated: preliminary plans \$50,000

\$1,400,000 project costs to be allocated: working drawings \$90,000, construction \$1,280,000 (\$1,164,000 contract, \$50,000 contingency, \$35,000 A&E costs \$31,000 agency retained items), and equipment \$30,000 at CCCI 4019

CEQA

A Notice of Determination was filed with the State Clearinghouse on March 21, 2001 and the waiting period expired on April 20, 2001.

Project Schedule

The project schedule is as follows:

Approve working drawings:	April 2004
Complete construction:	February 2005

Staff Recommendation: Approve preliminary plans.

CONSENT ITEM

CONSENT ITEM – 12

DEPARTMENT OF PARKS AND RECREATION (3790)
WILL ROGERS STATE HISTORIC PARK, LOS ANGELES COUNTY
Restore Historic Ranch House

Authority: Chapter 379/02, Item 3790-301-0005 (17)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 12

Department of Parks and Recreation
Will Rogers State Historic Park, Los Angeles County
Restore Historic Ranch House

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project will stabilize, restore and preserve the highest priority aspects of the Ranch House, the front covered patio, the rear retaining wall, the laundry room, film vault and furnace vault at Will Rogers State Historic Park. Work includes seismic retrofit and settlement mitigation for the buildings (floors/walls), seven chimneys and rear retaining wall, correction of moisture problems and providing a climate control system. The project will adhere to the recommendations of a completed Historic Structure Report (HSR) and a completed Property Condition Assessment Report (PCAR) for the Ranch House and immediately surrounding areas.

Funding and Cost Verification

This project is within cost.

\$2,060,000 previous total estimated project costs

\$2,015,000 current total estimated project cost

\$77,000 project costs previously allocated: preliminary plans

\$1,938,000 project costs to be allocated: working drawings \$137,000, construction
\$1,801,000 (\$1,508,000 contract, \$105,000 contingency, \$129,000 A&E costs
\$59,000 agency retained items) at CCCI 4019

\$45,000 estimated savings

CEQA

A Notice of Exemption was filed with the State Clearinghouse on April 2, 2003 and the waiting period expired on May 7, 2003.

Project Schedule

The project schedule is as follows:

Approve working drawings: January 2004

Complete construction: October 2004

Staff Recommendation: Approve preliminary plans and release of working drawing funds.

CONSENT ITEM

CONSENT ITEM – 13

DEPARTMENT OF PARKS AND RECREATION (3790)
BIG BASIN REDWOODS STATE PARK, SANTA CRUZ/SAN MATEO COUNTIES
Wastewater Collection/Treatment System Improvements, Phase 1

Authority: Chapter 379/02, Item 3790-301-0005 (8)

a. Approve preliminary plans, Phase 1

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 13

Department of Parks and Recreation
Big Basin Redwoods State Park, Santa Cruz/San Mateo Counties
Wastewater Collection/Treatment System Improvements, Phase 1

Action Requested

The requested action will approve preliminary plans and release working drawing funds for Phase 1 of this project.

Scope Description

This project is within scope. This project will rehabilitate and improve the wastewater collection and treatment systems at Big Basin Redwoods State Park to address water quality violations. Phase 1 will provide for the lining of sewage collection lines and associated manholes, and making modifications of the wastewater treatment plant including the replacement of the disinfection system, rehabilitation of filters, upgrading the pH control system, improving the emergency generator system and providing staff operating space. The Public Works Board previously approved a scope change for a second phase to the project. Phase 2 is before the Legislature for funding approval and would make improvements to the treatment plant including rehabilitation of the trickling filter, drain, vent system, the primary clarifiers and the secondary clarifiers; adding an automated monitoring and alert system to key process; re-plumbing some plant components to provide more flexibility in the plant operations; replacing the existing laboratory facility and purchasing some new monitoring equipment.

Funding and Cost Verification

This phase of the project is within cost.

\$2,903,000 total estimated project costs

\$76,000 project costs previously allocated: phase 1 preliminary plans \$76,000

\$2,827,000 project costs to be allocated: phase 2 preliminary plans \$98,000, working drawings \$151,000, construction \$2,553,000 (\$2,148,000 contract, \$150,000 contingency, \$192,000 A&E costs \$63,000 agency retained items), and equipment \$25,000 at CCCI 4019

CEQA

A Notice of Determination was filed with the State Clearinghouse on March 14, 2003 and the waiting period expired on April 18, 2003.

Project Schedule

The project schedule for Phase 1 is as follows:

Approve working drawings:	April 2004
Complete construction:	February 2005

Staff Recommendation: Approve preliminary plans and release working drawing funds for Phase 1.

CONSENT ITEM

CONSENT ITEM - 14

DEPARTMENT OF PARKS AND RECREATION (3790)
TOPANGA STATE PARK, LOS ANGELES COUNTY
Lower Topanga Canyon Addition

Authority: Chapter 52/00, Item 3790-301-0005(14)
Chapter 106/01, Item 3790-301-0005(30.93)

- a. Approve augmentation \$2,006,000
(4.18 percent of phase and total project)
Cumulative \$4,764,000
(9.93 percent of phase and total project)

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 14

Department of Parks and Recreation
Topanga State Park, Los Angeles County
Lower Topanga Canyon Addition

Action requested

This requested action will approve an augmentation for this project.

Scope Description

This project is within scope. A scope change was previously approved for this project on May 10, 2002. As currently defined, this project provides funding to acquire approximately 1,659 acres of mountainous and riparian canyon lands in Lower Topanga Canyon, provide relocation assistance for 77 residential tenants and 18 businesses, complete studies, and begin remediation or demolition of existing improvements on the property. The number of business requiring relocation benefits has dropped to 16 due to the fact that those businesses operated out of resident homes were rolled into the residential relocation packages. In addition, the amount required to pay relocation benefits to the residents has dropped because, after further investigation, some of the residential tenants are not eligible for benefits as they are not permanent residents.

Funding and Cost Verification

This project is not within cost. A total of \$48,000,000 was provided through two appropriations for this project. A previous augmentation of \$2,758,000 was provided in based on residential location needs. It was recognized at that time that additional funding would be needed to relocate businesses. Eligibility letters have been issued to all residential tenants, and it is estimated that the actual costs of relocating the residents will be \$147,000 less than previously estimated. This augmentation request is based on DPR's best estimate of the

balance of funds needed for business relocation after taking the saving of the residential relocation costs into account. Additional funding of \$2,006,000 is requested, which is equal to 4.18 percent of total project cost. This will result in a cumulative augmentation of \$4,764,000, or 9.92 percent of \$48,000,000 project appropriation. DPR determined this estimate by contracting with a relocation specialist. The relocation cost is based on prevailing relocation laws and documented improvements made by the tenants. The businesses are eligible for a \$20k in-lieu payment, the cost of fixtures and equipment and goodwill. DPR has indicated that there are sufficient funds remaining from this funding source to address this augmentation request. A request has been submitted to the Legislature to reappropriate the original funding to ensure that DPR will have sufficient time to encumber both augmentations.

\$52,764,000 total estimated project costs

\$50,758,000 previously allocated – includes \$40,000,000 for acquisition of Lower Topanga and \$10,758,000 for property acquisition (\$3,000,000), and anticipated relocation, environmental studies, management plan, demolition (\$7,758,000)

\$2,006,000 requested augmentation

CEQA

A Notice of Exemption was filed with the State Clearinghouse on June 22, 2001, and the waiting period expired on July 27, 2001. An Interim Management Plan and Environmental Impact Report was completed March 14, 2002.

Project Schedule

The project schedule is as follows:

Project completion December 2004

Other

- The final costs of this project are still unknown. There are possible future cost increases that would require legislative notification.
- The scope change, which was approved on May 10, 2002, included a discussion of the need for the first augmentation. The Legislature made no comment regarding that request.

Staff Recommendation: Approve augmentation.

CONSENT ITEM

CONSENT ITEM – 15

DEPARTMENT OF CORRECTIONS (5240)

**RICHARD J. DONOVAN CORRECTIONAL FACILITY AT ROCK MOUNTAIN, SAN DIEGO,
SAN DIEGO COUNTY**

Substance Abuse Program Modular Replacement

Authority: Chapter 379/02, Item 5240-301-0724 (2)

a. Approve preliminary plans and release working drawing funds

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 15

Department of Corrections

Richard J. Donovan Correctional Facility at Rock Mountain, San Diego, San Diego County
Substance Abuse Program Modular Replacement

Action Requested

The requested action will approve preliminary plans and release working drawing funds.

Scope Description

This project is within scope. The single story building (Type II-FR construction, I-3 occupancy) will provide office/programming space for the treatment of substance abuse offenders. The building will be approximately 6,962 square feet and will include meeting areas which can be arranged to accommodate small, medium and large groups; quiet rooms for small conferences; offices for staff; offices for Substance Abuse Program contract staff; workstations for counselors; clerical spaces; office equipment space; MIS room; clinical files and document storage; supply storage; video library and video equipment storage; restrooms for inmates and staff; janitor room and storage; break room with kitchenette; and electrical/mechanical room. The design is based on space standards developed for the construction of the Corcoran Substance Abuse Treatment Facility.

Funding and Project Cost Verification

This project is within cost.

\$2,364,000 total estimated project costs

\$290,000 project costs previously allocated: preliminary plans \$136,000; working drawings \$154,000

\$2,074,000 project costs unallocated: construction \$2,074,000 (\$1,500,000 contract, \$75,000 contingency, \$175,000 project administration, and \$324,000 agency-retained)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on October 17, 2002, and the waiting period for litigation expired on November 20, 2002, with no public comment.

Project Schedule

The project schedule is as follows:

Approve preliminary plans	May 2003
Approve working drawings	October 2003
Complete construction	February 2005

Staff Recommendation: Approve preliminary plans and release working drawing funds.

CONSENT ITEM

CONSENT ITEM – 16

DEPARTMENT OF CORRECTIONS (5240)
DEUEL VOCATIONAL INSTITUTION, TRACY, SAN JOAQUIN COUNTY
New Well

Authority: Chapter 379/02, Item 5240-301-0724 (1)

a. Approve preliminary plans and release working drawing funds

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 16

Department of Corrections
Deuel Vocational Institution, Tracy, San Joaquin County
New Well

Action Requested

The requested action will approve preliminary plans and release working drawing funds.

Scope Description

This project is within scope. This project includes construction of a groundwater well equipped with a pump, electric motor, and discharge header. The wellhead and motor will be enclosed in a metal building 8 feet wide and 14 feet long constructed on a concrete pad.

Funding and Project Cost Verification

This project is within cost.

\$630,000 total estimated project costs

\$79,000 project costs previously allocated: preliminary plans \$34,000; working drawings \$45,000

\$551,000 project costs unallocated: construction \$551,000 (\$496,000 contract, \$22,000 contingency, \$33,000 project administration)

CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 11, 2003, and the waiting period for litigation expired on March 17, 2003, with no public comment.

Project Schedule

The project schedule is as follows:

Approve preliminary plans	May 2003
Approve working drawings	June 2003
Complete construction	February 2004

Staff Recommendation: Approve preliminary plans and release working drawing funds.

CONSENT ITEM

CONSENT ITEM – 17

UNIVERSITY OF CALIFORNIA (6440)
RIVERSIDE CAMPUS, RIVERSIDE COUNTY
Engineering Building, Unit 2

Authority: Chapter 106/01, Item 6440-301-0574 (13)
Chapter 33/02, Section 34(a)(2)(D)

a. Approve reversion **\$5,316,000**

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 17

University of California, Riverside
Engineering Building, Unit 2

Action Requested

The requested action will approve a reversion for this project.

Scope Description

This project is within scope. The Engineering Building, Unit 2 project will construct a new multi-disciplinary instruction and research laboratory center of 98,197 assignable square feet for programs in computer Sciences and Engineering and Electrical Engineering.

Funding and Project Cost Verification

This project is within cost. Due to bid savings \$5,316,000 is available for reversion.

\$38,356,000 total estimated project costs

\$44,438,000 project costs previously allocated: preliminary plans \$1,223,000; working drawings \$1,835,000; construction \$35,675,000 (State funds), \$5,141,000 (campus funds); equipment \$564,000 (campus funds)

\$766,000 campus construction funds retained

\$5,316,000 requested reversion

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Project Schedule

The project schedule is as follows:

Complete construction: December 2004

Staff Recommendation: Approve reversion.

CONSENT ITEM

CONSENT ITEM – 18

CALIFORNIA STATE UNIVERSITY (6610)
SAN MARCOS CAMPUS, SAN DIEGO COUNTY
Academic Hall II - Building 13 (Business)

Authority: Chapter 33/02, Section 34(3)(C)

- a. **Approve preliminary plans**

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 18

California State University, San Marcos
Academic Hall II - Building 13 (Business)

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The San Marcos Campus, Academic Hall II--Building 13 (Business) will construct a classroom/office facility of approximately 48,600 assignable square feet (79,980 gross square feet). The project is designed to manage the needs of the general campus and house the College of Business Administration and the programs of political science and economics. It will provide lecture capacity for 3,064 full-time equivalent students and 94 faculty offices.

Funding and Cost Verification

This project is within cost.

\$24,215,000	total estimated project costs
\$462,000	project costs previously allocated: preliminary plans – State funds
\$23,753,000	project costs to be allocated: working drawings – \$665,000; construction –\$23,088,000

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Project Schedule

The project schedule is as follows:

Approve preliminary plans:	May 2003
Approve working drawings:	March 2004
Complete construction:	March 2006

Staff Recommendation: Approve preliminary plans and the release of working drawing funds.

CONSENT ITEM

CONSENT ITEM – 19

CALIFORNIA COMMUNITY COLLEGES (6870)
CONTRA COSTA COMMUNITY COLLEGE DISTRICT,
DIABLO VALLEY COLLEGE, CONTRA COSTA COUNTY
Life Science Remodel for Labs

*Authority: Chapter 106/01, Item 6870-301-0574,
as amended by Chapter 891/01, Section 34(b) (3) (B)
Chapter 379/02, Item 6870-301-6028 (10)*

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 19

California Community Colleges
Contra Costa Community College District
Diablo Valley College, Contra Costa County
Life Science Remodel for Labs

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

The project is within scope. The authorized scope of the project renovates the existing Life Sciences Building to create 14,350 assignable square feet (asf) consisting of 12,051 asf of high-tech labs, 1,474 asf offices, and 825 asf other spaces.

Funding and Project Cost Verification

The project is within cost.

\$5,344,000 total estimated project costs

\$162,000 state funding previously allocated: preliminary plans

\$5,182,000 state funding to be allocated: working drawings \$141,000 and construction \$3,657,000 (\$3,152,000 contracts, \$221,000 contingency, \$284,000 construction management, administration, testing and inspection) at CCCI 4019 and Equipment \$1,384,000 at EPI 2564.

CEQA

A Notice of Exemption was filed on July 6, 2000, and the waiting period expired on August 9, 2000.

Project Schedule

The project schedule is as follows:

Complete Working Drawings: February 2004

Complete Project: October 2005

Staff Recommendation: Approve preliminary plans and the release of working drawing funds.

CONSENT ITEM

CONSENT ITEM – 20

**CALIFORNIA COMMUNITY COLLEGES (6870)
LOS ANGELES COMMUNITY COLLEGE DISTRICT,
LOS ANGELES MISSION COLLEGE, LOS ANGELES COUNTY
Child Development Center**

*Authority: Chapter 106/01, Item 6870-301-0574,
as amended by Chapter 891/01, Section 34 (b) (9) (A)
Chapter 379/02, Item 6870-301-6028 (23)*

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 20

California Community Colleges
Los Angeles Community College District
Los Angeles Mission College, Los Angeles County
Child Development Center

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs a 19,440 asf child development facility. The project includes 3,300 asf laboratory, 965 asf office, and 15,175 asf of other child development space. The proposal is consistent with the building and cost guidelines for community college child development facilities.

Funding and Project Cost Verification

This project is within cost.

\$6,202,000	total estimated project costs
\$300,000	state funding previously allocated: preliminary plans
\$5,902,000	state funding to be allocated: working drawings \$470,000 and construction \$5,070,000 (\$4,483,000 contracts, \$226,000 contingency, \$361,000 construction management, administration, testing and inspection) at CCCI 4019 and Equipment \$362,000 at EPI 2564

CEQA

A Final Environmental Impact Report was filed with the State Clearing House in November 1983 and the waiting period has expired.

Project Schedule

The project schedule is as follows:

Complete working drawings:	May 2004
Complete construction:	November 2005

Staff Recommendation: Approve preliminary plans and the release of working drawing funds.

CONSENT ITEM

CONSENT ITEM – 21

CALIFORNIA COMMUNITY COLLEGES (6870)
SHASTA-TEHAMA-TRINITY JOINT COMMUNITY COLLEGE DISTRICT,
SHASTA COLLEGE, SHASTA COUNTY
Library Annex

*Authority: Chapter 106/01, Item 6870-301-0574,
As amended by Chapter 891/01, Section 34 (b) (19)
Chapter 379/02, Item 6870-301-6028 (50)*

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 21

California Community Colleges
Shasta-Tehama-Trinity Joint Community College District
Shasta College, Shasta County
Library Annex

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

The project is within scope. The authorized scope of the project constructs a new 12,335 assignable square feet (asf) library annex and renovates 2,550 asf in the existing library. The annex includes 1,157 asf laboratory, 1,108 asf office, 5,459 asf library, 3,728 asf AV/TV, and 883 asf other space. The renovated space in the existing library includes 2,550 asf of AV/TV space.

Funding and Project Cost Verification

The project is within cost.

\$7,407,000	total estimated project costs
\$245,000	project costs previously allocated: preliminary plans
\$7,162,000	project costs to be allocated: working drawings \$243,000; construction \$6,171,000 (\$5,544,000 contracts, \$281,000 contingency, \$346,000 administration, testing and inspection) at CCCI 4019; and equipment \$748,000 at EPI 2564.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on December 18, 2002, and the waiting period expired on January 22, 2003.

Project Schedule

The project schedule is as follows:

Complete working drawings:	March 2004
Complete construction:	October 2005

Staff Recommendation: **Approve preliminary plans and the release of working drawing funds.**

CONSENT ITEM

CONSENT ITEM – 22

CALIFORNIA COMMUNITY COLLEGES (6870)
RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT,
SANTA ANA COLLEGE, ORANGE COUNTY
Physical Education Seismic Replacement / Expansion

*Authority: Chapter 106/01, Item 6870-301-0574,
as amended by Chapter 891/01, Section 34 (b) (13)
Chapter 379/02, Item 6870-301-6028 (34)*

a. Recognize scope change

b. Recognize project cost reduction (\$516,000)
(9.5% of construction and 8.6% of project cost)

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 22

California Community Colleges
Rancho Santiago Community College District, Santa Ana College,
Santa Ana, Orange County
Physical Education Seismic Replacement / Expansion

Action Requested

The requested action will recognize a scope and cost change for this project.

Scope Description

The project is not within scope. The authorized scope of the project constructs a 10,258 assignable square feet (asf) men's locker building and renovates 9,094 asf in a women's locker building and a gym. The new construction creates 1,832 asf of lecture, 1,365 asf of office, and 7,061 asf of physical education space and the reconstruction addresses 937 asf of office space and 8,157 asf of physical education space. Due to potential lawsuits because of inconsistent levels of program services at the college (Title IX compliance), the District plans to construct a larger, replacement women's locker building adjacent to the planned men's facility at local cost. In addition, because of the planned construction of the replacement women's locker building, installation of showers and dressing areas in the interior of the existing women's locker building is being deleted from the project. The District plans to convert the building into a fitness center as a locally-funded project. The change to the total asf of the revised State project is minimal. A letter was sent to the Legislature on April 14, 2003, without comment.

Funding and Project Cost Verification

The project is within cost. The District estimates that the cost of the above changes decreases the project construction phase costs by \$516,000. Due to the nature of the work to be done in the women's locker building, the District agrees that there will be no augmentations on that portion of this project.

\$5,972,000	total authorized project costs
\$5,456,000	total estimated project costs
\$225,000	project costs previously allocated: preliminary plans
\$5,747,000	project costs to be allocated: working drawings \$223,000; construction \$5,459,000 (\$4,816,000 contracts, \$269,000 contingency, \$374,000 construction management, administration, testing and inspection) at CCCI 4019; and equipment \$65,000 at EPI 2564
(\$516,000)	project funds to be reverted: construction \$516,000 (\$462,000 contract; \$32,000 contingency; and \$22,000 construction management, administration, testing and inspection at CCCI 4019)

CEQA

The District filed a categorical exemption to meet the CEQA requirements on September 9, 2002 and the waiting period expired on October 14, 2002.

Project Schedule

The project schedule is as follows:

Complete working drawings:	December 2003
Complete construction:	November 2005

Staff Recommendation: Recognize scope change and cost reduction.

CONSENT ITEM

CONSENT ITEM – 23

CALIFORNIA COMMUNITY COLLEGES (6870)
SAN JOSE COMMUNITY COLLEGE DISTRICT,
SAN JOSE CITY COLLEGE, SANTA CLARA COUNTY
Science Building

Authority: Chapter 379/02, Item 6870-301-0574 (5)

a. Approve preliminary plans

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 23

California Community Colleges
San Jose-Evergreen Community College District
San Jose City College, Santa Clara County
Science Building

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. This project constructs a new 34,980 asf Science Building, consisting of 23,852 asf laboratory space, 5,543 asf lecture space, 2,537 asf office space, 654 asf library space, and 2,394 asf other space.

Funding and Project Cost Verification

This project is within cost.

\$20,815,000	total estimated project costs
\$407,000	funding previously allocated: preliminary plans
\$12,972,000	funding to be allocated: working drawings \$437,000; construction \$12,172,000 (\$11,077,000 contracts, \$563,000 contingency, \$532,000 administration, testing, inspection) at CCCI 4019; and equipment \$363,000 at EPI 2564
\$242,000	local funding previously allocated: preliminary plans
\$7,194,000	local funding to be allocated: working drawings \$266,000; construction \$5,728,000 (\$5,213,000 contracts, \$265,000 contingency, \$250,000 administration, testing, inspection) at CCCI 4019; and equipment \$1,200,000 at EPI 2564

CEQA

A Final Notice of Determination was filed with the State Clearinghouse on September 18, 2000 and the waiting period expired on June 26, 2000.

Project Schedule

The project schedule is as follows:

Complete working drawings: February 2004
Complete construction: August 2005

Staff Recommendation: Approve preliminary plans and the release of working drawing funds.

CONSENT ITEM

CONSENT ITEM – 24

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF FOOD AND AGRICULTURE (8570)
DORRIS AGRICULTURE INSPECTION STATION, SISKIYOU COUNTY
CDFA 004.1, DGS Parcel 10177

Authority: Chapter 52/00, Item 8570-301-0042(1)

a. Authorize site selection

APPROVED.

CONSENT ITEM

STAFF ANALYSIS – 24

Department of Food and Agriculture
Dorris Agriculture Inspection Station

Action Requested

The requested action will authorize site selection for this project.

Scope Description

This project is within scope. The project provides for acquisition of land and the construction of a replacement facility for the Dorris Agriculture Inspection Station. The subject property is contiguous to the approximately 25 acre parcel that is the primary location of the new inspection station that was approved for acquisition at the April 25, 2003 State Public Works Board meeting. The project design requires acquisition of this additional parcel to accommodate acceleration lanes that will merge traffic onto the adjacent State Highway 97. This request will authorize site selection of fee simple interest in 145.5 acres.

Funding and Cost Verification

This project is within cost. Chapter 52, Budget Act of 2000, Item 8570-301-0042(1) provides \$505,000 for this acquisition of fee simple interest. The property can be acquired with the funds available and in accordance with Legislative intent.

\$7,877,000 total estimated project costs

\$848,000 project costs previously allocated: study/acquisition \$505,000; preliminary plans, \$343,000; This includes the \$80,000 Augmentation for test well drilling plus the \$64,000 previous augmentation to the Preliminary Plan Phase funding to cover cost of additional design, engineering and environmental services.

\$7,029,000 project costs to be allocated: working drawings, 444,000; construction \$6,585,000(\$5,468,000 contract + \$273,000 contingency + \$328,600 A&E + \$515,400 other project costs) at CCCI 4019.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is August 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS) staff have conducted surveys of the parcel to be acquired as part of the Dorris Agricultural Inspection Station replacement project. These surveys were conducted in conjunction with preparation of the project's environmental document and as part of initial regional surveys for the project. The parcel is entirely in a natural condition; it is uniformly covered with native vegetation with no structures, roads, or visible support/infrastructure improvements. With the possible exception of open range cattle grazing, the parcel has had no developed or non-open space use for over 50 years.

The surveys of the parcel revealed no due diligence issues that would prevent site acquisition. Staff also concluded that a formal Preliminary Site Assessment, Phase I, is not necessary for acquisition based on the following findings: (1) the site is fully undeveloped, and has been in a natural condition for several decades; (2) there are no surface/subsurface improvements on the property that would require inspection and/or environmental assessment; (3) there is no indication of hazardous material use, storage, or disposal on the parcel, and the adjacent lands have no industrial uses; and (4) properties adjacent to the parcel are either unimproved rangeland or a state highway.

Other:

- The proposed site meets the location requirements of the Department of Food and Agriculture (CDFA).
- The property is vacant and unimproved.
- There is no relocation assistance involved with this project.
- The purchase price shall not exceed estimated fair market value as determined by a DGS approved appraisal.
- There is no implied dedication involved with this project.

Staff Recommendation: Authorize site selection.

ACTION ITEM

ACTION ITEM – 25

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
JEDEDIAH SMITH REDWOODS STATE PARK, DEL NORTE COUNTY
DPR Parcel number A40601, DGS Parcel Number 10174

Authority: Chapter 52/00, Item 3790-301-0005(10)

a. Consider site selection and acquisition

PULLED.

ACTION ITEM

STAFF ANALYSIS – 25

Department of General Services
Department of Parks and Recreation
Jedediah Smith Redwoods State Park

Action requested

The requested is to consider site selection and acquisition

Scope Description

This project is within scope. The Legislature approved funding for the acquisition of land from willing sellers that are forested with redwoods or that will enhance the protection or preservation of the redwood forest ecosystem with preference given to projects where matching funding contributions are available. This project provides for the acquisition of one parcel from non-profit organization Save the Redwood League totaling approximately 546 acres adjacent to the Jedediah Smith Redwoods State Park. This property is within scope because it contains young growth redwood trees.

Funding and Cost Verification

This project is within cost. Chapter 52/00, Item 3790-301-0005 (10) provided \$5,000,000 from the 2000 Bond Redwood Acquisition Program to Department of Parks and Recreation (DPR) for acquisition of redwood properties without specifying particular parcels. The property can be acquired with the funds available and in accordance with Legislative intent. Below are the anticipated project costs:

\$1,007,000 total estimated project costs

\$4,000 project costs previously allocated: DGS appraisal and acquisition review costs

\$1,033,000 project costs to be allocated: \$1,000,000 for acquisition and \$3,000 estimated closing costs

CEQA

A Notice of Exemption was filed with the State Clearinghouse on February 28, 2003, and the waiting period expired on April 4, 2003.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is June 2003.

Condition of Property

Department of General Services (DGS), Environmental Services Section (ESS), staff conducted surveys of the parcel to be acquired in Jedidiah State Park. The parcel is entirely in a natural condition; it is uniformly covered with native redwood forest vegetation with no structures, roads, or visible support/infrastructure improvements. The survey of the parcel revealed no due diligence issues that would prevent site acquisition. Staff also concluded that a formal Preliminary Site Assessment, Phase I, is not necessary for acquisition based on the following findings: (1) the site is fully undeveloped, and has been in a natural condition for several decades; (2) there are no surface/subsurface improvements on the property that would require inspection and/or environmental assessment; (3) there is no indication of hazardous material

use, storage, or disposal on the parcel, and the adjacent lands have no industrial uses; and (4) properties adjacent to the parcel are either unimproved forest/parkland or rural residential.

Other

- The seller would like to replace the following deed restriction on the property: “the property shall be held in trust for public park purposes on behalf of the people of California provided that the owner may grant concessions, franchises, easements and other leases upon said property for purposes that are consistent with the use and preservation thereof for public park purposes.” DGS has determined that this restriction affects the appraised value because it permanently restricts the rights of the State to use the property for other purposes. The appraised value with this restriction in place is less than the sellers asking price.
- The property acquisition agreement will require delivery of title to the property free and clear of any mortgages or liens.
- The purchase price shall not exceed estimated fair market value as approved by a Department of General Services (DGS) approved appraisal.
- The property is vacant and unimproved. There is no relocation assistance involved with this project.
- DPR is not aware of any lawsuits pending or safety issues concerning the property.
- There is no implied dedication involved in this project.
- DPR estimates a need for an additional three personnel year positions (PY's) and ongoing costs of \$273,000 for personal services and operating expenses to provide maintenance, respond to information requests, patrol roads, respond to emergencies, collect fees and lead tours. DPR further estimates one-time costs of \$92,000 for equipment, immediate public use, signs and gates. DPR has provided this information as its best estimate of initial support needs. The Department of Finance provides no endorsement of these support estimates, but will evaluate DPR workload and staffing requirements through the normal budget process if an augmentation request is submitted, and within the context of the Administration's overall budget priorities. Nevertheless, Finance would not recommend additional support expenditures if continued revenue forecasts fail to project short-term growth and additional program reductions become necessary. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available. Until additional funding is provided, and pending availability of existing funding, DPR has indicated it will provide limited resource protection.

Significant Issues: Resources Agency and DPR contend that the Board should approve this property with the restrictive language and acquire the property for \$1 million. PWB staff concludes that the restrictive language and this price would result in a gift of public funds and violate the State Constitution. Staff believes the board should deny the request; however, the following three options are presented for board consideration:

- DPR may purchase the property for the \$1 million dollar price only if the seller does not place any deed restrictive language on the property.
- DPR may use the \$1 million dollars to purchase a smaller portion of the parcel if this portion contains no deed restrictions, DPR does not pay more than fair market value, and the seller donates the remaining property. The seller may place restrictions on the donated property.
- DPR may purchase the property with the deed restrictive language in place if DPR pays no more than the DGS approved appraisal, currently estimated to be approximately \$415,000.

Staff Recommendation: Deny DPR's request. If the Board chooses to take an alternative approach, any of the above options should be considered.

ACTION ITEM

ACTION ITEM – 26

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
HUMBOLDT REDWOODS STATE PARK, HUMBOLDT COUNTY
DPR Parcel numbers A38001 through A38007, DGS Parcel Number 10172

Authority: Chapter 52/00, Item 3790-301-0005(10)

a. Consider site selection and acquisition

PULLED.

ACTION ITEM

STAFF ANALYSIS – 26

Department of General Services
Department of Parks and Recreation
Humboldt Redwoods State Park

Action Requested

The requested is to consider site selection and acquisition

Scope Description

This project is within scope. The Legislature approved funding for the acquisition of land from willing sellers that are forested with redwoods or that will enhance the protection or preservation of the redwood forest ecosystem with preference given to projects where matching funding contributions are available. This project provides for the acquisition of seven parcels from the non-profit organization Save-the-Redwoods-League totaling approximately 322 acres ranging in size from 5 acres to 125 acres, all of which are scattered but adjacent to the Humboldt Redwoods State Park. This property is within scope because it contains significant stands of old growth redwoods.

Funding and Cost Verification

This project is within cost. Chapter 52/00, Item 3790-301-0005 (10) provided \$5,000,000 from the 2000 Bond Redwood Acquisition Program to the Department of Parks and Recreation (DPR) for acquisition of redwood properties without specifying particular parcels. The property can be acquired with the funds available and in accordance with Legislative intent. Below are the anticipated project costs:

\$2,206,877 total estimated project costs

\$12,185 project costs previously allocated: Department of General Services (DGS) staff costs including environmental site visit, appraisal and acquisition review costs

\$2,194,692 project costs to be allocated: \$2,188,692 for acquisition and \$6,000 for estimated closing costs including title and escrow fees

CEQA

A Notice of Exemption was filed with the State Clearinghouse on September 6, 2001, and the waiting period expired on October 11, 2001.

Project Schedule

The project schedule is as follows:

The anticipated close of escrow is June 2003.

Condition of Property

Department of General Services, Environmental Services Section (ESS), staff conducted surveys of seven non-contiguous properties to be acquired in the Humboldt Redwoods State Park:

Of the initial six properties, two properties consisted of a rural residential sites contiguous to the park that contain some redwood forest habitat at the edges. Both sites have been graded for access homes although the house on one of the properties has been removed. On the property

that still contains a home, there are also other minor improvements related to the house but the house contains no known hazards. The remainder of both of these two sites contain mature and second growth redwood forest. The other four of the properties are unremarkable and are all to nearly all forested. All have limited access, but are otherwise unimproved. The properties are entirely in a natural condition; they are uniformly covered with native redwood forest vegetation with no structures, roads, or visible support/infrastructure improvements.

The survey of these first six properties revealed no due diligence issues that would prevent site acquisition. Staff also concluded that a formal Preliminary Site Assessment, Phase I, is not necessary for acquisition based on the following findings: (1) while portions of the first two of the sites have been graded for access and the home site, these improvements are acceptable; (2) the remaining four of the sites are fully undeveloped, and have been in a natural condition for several decades; (3) the only structure on the six sites of any significance is one small house that contains no significant hazards; (4) on the four undeveloped sites there are no surface/subsurface improvements except for access roads on the property that would require inspection and/or environmental assessment, (5) there is no indication of hazardous material use, storage, or disposal on any of the six parcels, and the adjacent lands have no industrial uses; and (6) properties adjacent to the subject parcels are either unimproved forest/parkland or rural residential.

The survey of the final property included an extensive walk-over of the reasonably accessible portions of the property, interviews with staff from State Parks in regard to potential future uses, and consultation with the North Coast Regional Water Quality Control Board. The subject property consists of a mix of old growth redwoods and a section of a creek that are in a natural condition; the property also contains sites of former/existing home sites, a small orchard, and limited access roads. The balance of the site is natural, especially on its northerly portion near the Eel River. The site contains no observable industrial improvements, petroleum storage, debris, or similar materials/improvements of typical concern in due diligence investigations. During the site visit some of the residential structures had either just been removed, or are planned for demolition and abatement of very limited amounts of hazardous building materials. The site also shows evidence of debris removal and abatement. The land adjacent to the site includes other redwood and riparian forest, old Highway 1, and a closed sawmill. The survey of the property and subsequent investigation of potential regulatory concerns revealed no due diligence issues or concern for unknown long-term liabilities that would prevent site acquisition.

Staff concluded that while the property does have some history of developed uses (limited rural residential) a formal Preliminary Site Assessment, Phase I, is not necessary for acquisition based on the following findings: (1) large portions of the site contain undisturbed old growth redwood forest and riparian vegetation; (2) there are no surface/subsurface improvements on the property that would require inspection and/or environmental assessment; (3) there is no indication of hazardous material use, storage, or disposal on the property that would warrant a formal site assessment and soil testing; (4) the structures that have been removed already were only wood frame structures with minor amounts of hazardous building materials, which were properly abated; (5) the debris that was already removed is strictly of a residential nature; and (6) any structure that will remain after acquisition will be free of any hazardous materials. ESS staff also found that while the directly adjacent property had been used as a sawmill, the staff of the Regional Water Quality Control Board indicated that site posed no past or ongoing concern for soil or groundwater contamination. ESS staff found that the acquisition of this property is appropriate for various State Park uses, including but not limited to, forest and riparian restoration, day use, river access, and camping.

Other

- The seller would like to replace the following deed restriction on the property: "the property shall be held in trust for public park purposes on behalf of the people of California provided that the owner may grant concessions, franchises, easements and other leases upon said

property for purposes that are consistent with the use and preservation thereof for public park purposes.” DGS has determined that this restriction affects the appraised value because it permanently restricts the rights of the State to use the property for other purposes. The appraised value with this restriction in place is less than the sellers asking price. The property acquisition agreement will require delivery of title to the property free and clear of any mortgages or liens.

- There are a number of existing title exceptions of record, including agreements for the use of water by other parties from springs on two of the parcels. It does not appear that title exceptions of record will have a significant impact on the State's intended use of the property.
- The purchase price cannot exceed estimated fair market value as approved by a Department of General Services (DGS) approved appraisal.
- There are structures on two of the seven parcels under consideration. The Gonzales parcel has a vacant newer house that is in need of roof repairs and inside fixtures. This property also has a concrete water tank. DPR intends to evaluate the tank to see if water from a nearby spring may be accessed and stored for future use. DPR intends to use the structure for Department of Forestry and Fire Protection training. There are several structures on the Daly property, including 10 houses dating back to the early 1900's. All but two houses and a barn have deteriorated to the point that they have no value. DPR intends go through the normal CEQA process for any development of the property after the property is acquired. This process would include a consultation with the State Historical Office of Preservation regarding the preservation of any historically significant structures. No relocation assistance will be necessary.
- DPR is not aware of any lawsuits pending or safety issues concerning the property.
- There is an implied dedication on the Daly parcel regarding public recreational rights, interests and trails that will only minimally impact DPR's use of the property when the State acquires the property.
 - DPR estimates a need for an additional four Personnel Year positions (PY's) and ongoing costs of \$417,000 for personal services and operating expenses. Provide ongoing maintenance, respond to information requests, safety and enforcement patrol, and resource protection.
- DPR further estimates one-time costs of \$99,000 for equipment and a boundary survey. DPR has provided this information as its best estimate of initial support needs. The Department of Finance provides no endorsement of these support estimates, but will evaluate DPR workload and staffing requirements through the normal budget process if an augmentation request is submitted, and within the context of the Administration's overall budget priorities. Nevertheless, Finance would not recommend additional support expenditures if continued revenue forecasts fail to project short-term growth and additional program reductions become necessary. DPR brings this acquisition request forward with the full knowledge that additional support appropriations may not be available. Until additional funding is provided, and pending availability of existing funding, DPR will provide limited resource protection.

Significant Issues: Resources Agency and DPR contend that the Board should approve, at its May meeting, this property with the restrictive language and acquire the property for \$2.2 million. PWB staff conclude that the restrictive language and this price would result in a gift of public funds and violate the State Constitution. Staff believes the board should deny the request; however, the following three options are presented for board consideration:

- DPR may purchase the property for the \$2.2 million dollar price only if the seller does not place any deed restrictive language on the property.
- DPR may use the \$2.2 million dollars to purchase a smaller portion of the properties if this portion contains no deed restrictions, DPR does not pay more than fair market

value, and the seller donates the remaining property. The seller may place restrictions on the donated property.

- DPR may purchase the property with the deed restrictive language in place if DPR pays no more than the DGS approved appraisal, currently estimated to be approximately \$1.04 million.

In addition, there are unidentified costs associated with fencing off, demolishing, stabilizing or restoring the structures on the Daly property.

Staff Recommendation: Deny DPR's request. If the Board chooses to take an alternative approach, any of the above options should be considered.

OTHER BUSINESS

REPORTABLES

Respectfully Submitted,

JAMES E. TILTON
Administrative Secretary